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Executive Director

ARIZONA CORPORATION COMMISSION

September 8, 2005

The Honorable Joe Shirley, Jr. President Navajo Nation P.O. Box 9000 Window Rock, AZ 86515

The Honorable Lawrence T. Morgan Speaker Navajo Nation Council P.O. Box 3390 Window Rock, AZ 86515

Jim Cleary
President
Western Pipeline Group
El Paso Corporation
Two North Nevada Avenue
Colorado Springs, CO 80903

Dear Gentlemen:

We, the undersigned members of the Arizona Corporation Commission want to take this opportunity to contact the parties involved in the ongoing right-of-way easement negotiations between the Navajo Nation and El Paso Natural Gas Corporation and encourage you to reach an agreement that is in the interest of all parties involved as well as the people of the state of Arizona.

As you are aware, the negotiations for this easement have been taking place for over one year, with the current easement agreement set to expire in October, just one month away. While we stress that we remain neutral in regard to the parties involved in this case, we feel it is important, and in the public interest, for the parties to reach a mutually beneficial agreement. The natural gas line at issue has an important impact on Arizona ratepayers. It is in ratepayers' best interest that an equitable agreement is reached.

Hon. Joe Shirley Hon. Lawrence Morgan Mr. Jim Cleary September 8, 2005 Page 2

While we have met with representatives from El Paso Natural Gas Corporation, we would welcome, and encourage representatives from the Navajo Nation to meet with the Commission to discuss this issue. Again, we urge the parties to come to agreement on this important matter.

Sincerely,

Jeff Hateh-Miller, Chairman

William A. Mundell, Commissioner

Marc Spitzer, Commissioner

Kristin K. Mayes, Commissioner